

Message Text

LIMITED OFFICIAL USE

PAGE 01 CAIRO 05019 241257Z
ACTION NEA-10

INFO OCT-01 EA-07 ISO-00 EUR-12 AID-05 CIAE-00 COME-00
EB-08 FRB-03 INR-07 NSAE-00 USIA-06 TRSE-00
XMB-02 OPIC-03 SP-02 LAB-04 SIL-01 OMB-01 PA-01
PRS-01 IO-13 NSC-05 SS-15 STR-04 CEA-01 /112 W
-----242257Z 075694 /14

R 241042Z MAR 77
FM AMEMBASSY CAIRO
TO SECSTATE WASHDC 3105
INFO AMEMBASSY ABU DHABI
AMEMBASSY BONN
AMEMBASSY DOHA
AMEMBASSY JIDDA
AMEMBASSY KUWAIT
AMEMBASSY TEHRAN
AMEMBASSY TOKYO

LIMITED OFFICIAL USE CAIRO 5019

E.O. 11652: NA
TAGS: EGEN EAID EFIN EG GW
SUBJ: WEST GERMAN ECONOMIC TEAM

REF: CAIRO 5018

1. TEAM FROM GERMAN DEVELOPMENT INSTITUTE ASSISTING
MUELLER IN HIS WORK HAS PREPARED A PAPER FOR GOE DESCRIBING
AREAS IN WHICH IT IS CONCENTRATING ITS ANALYSIS IN EARLY
STAGES OF THE STUDY. AS MENTIONED REFTEL, IT APPEARS
THAT THRUST OF STUDY WILL NOT BE TO LIST OR DESCRIBE
EGYPT'S ECONOMIC ILLS, REASONS THEREFORE, ETC., BUT
TO FOCUS INSTEAD ON ORGANIZATIONAL/MANAGERIAL/INSTITUTIONAL
MEANS FOR DEALING WITH THEM. LIST OF ACTIVITIES PRESENTED
BELOW IS THEREFORE PROBABLY NOT INDICATION OF ANOTHER
IN-DEPTH STUDY, BUT MERELY A FIELD OF INTERESTS.

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 CAIRO 05019 241257Z

2. FOLLOWING ARE AREAS AND RESPONSIBLE INDIVIDUALS
AS CONTAINED IN PAPER.

A. PUBLIC FINANCE (DR. DIETER WEISS)
I. CURRENT RECEIPTS AND EXPENDITURE. ACTUAL STATE OF
TAX LEGISLATION; CONSIDERATIONS REFERRING TO FUTURE

TAX LEGISLATION WITH REGARD TO INCREASING RECEIPT.

II. INVESTMENT EXPENDITURE. CONSIDERATIONS OF GOVERNMENT
REFERRING TO DOMESTIC FINANCING OF INVESTMENT EXPENDITURE.
VOLUME AND CHANNELS OF DOMESTIC BORROWING (E.G. NEW
FORMS OF SAVING CERTIFICATES, INVESTMENT BONDS, ATTRACTIVE
INTEREST RATES ETC.)

III. PROFITABILITY OF PUBLIC SECTOR. APPROACHES AND
MEASURES TO STRENGTHEN RENTABILITY OF THE STATE ENTERPRISES
AND REDUCING THEIR CONTRIBUTION TO THE OVERALL BUDGET
DEFICIT.

B. BALANCE OF PAYMENTS AND FOREIGN EXCHANGE SYSTEM
(DR. HANS HELMUT TAAKE)

I. RECENT DEVELOPMENTS. EXPORT AND IMPORT PERFORMANCE.
COMMODITY COMPOSITION AND REGIONAL DISTRIBUTION OF TRADE.
EXCHANGE EARNINGS FROM SERVICES (SUEZ CANAL DUES AND
SUMED PIPELINE, TOURISM, WORKERS' REMITTANCES). CAPITAL
TRANSACTIONS (LONG TERM LOANS, SUPPLIERS' CREDITS,
REPAYMENTS, DIRECT INVESTMENT). INTERNATIONAL RESERVES.
II. BASIC POLICIES REGARDING BALANCE OF PAYMENTS
DEFICIT. INCREASE OF EXPORTS, CONSOLIDATION OF IMPORTS.
BILATERALISM IN TRADE. APPROACHES TO REFORM FOREIGN
EXCHANGE MARKETS. EXTERNAL DEBT CONSOLIDATION.

C. AGRICULTURE (DR. CHRISTIAN HEIMPEL)

I. SECTORAL PLANS AND TARGETS. FUTURE CONTRIBUTION
OF AGRICULTURE TO OVERALL ECONOMIC OBJECTIVES (BUDGET,
FOREIGN EXCHANGE, EMPLOYMENT). IMPLICATIONS OF THE
MACRO-OBJECTIVES FOR RESOURCE ALLOCATION BETWEEN
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 CAIRO 05019 241257Z

AGRICULTURE AND INDUSTRY AND WITHIN AGRICULTURE (E.G.
VERTICAL/HORIZONTAL DEVELOPMENT).

II. SCOPE FOR PRICE INCENTIVES FOR FARMERS UNDER
GIVEN CONSTRAINTS (E.G. NECESSITY TO KEEP CONSUMER
PRICES STABLE). ALTERNATIVE INSTRUMENTS OF INTER-
SECTORAL TRANSFER OF RESOURCES FROM AGRICULTURE TO
INDUSTRY (LOW AGRICULTURAL PRODUCER PRICES, TAX
REFORM ETC.).

III. REORIENTATION OF PRODUCTION PATTERNS CORRESPONDING
TO INTERNAL AND FOREIGN MARKETS.

IIII. INSTITUTIONS AND ORGANIZATIONS IN AGRICULTURE.

D. INDUSTRY, CONSTRUCTION, PETROLEUM, MINING
(MR. WOLFGANG HILLEBRAND)

I. CONCEPTS IN EGYPT'S INDUSTRIAL DEVELOPMENT POLICIES.
SCOPE AND LIMITATION OF LIBERALIZATION POLICY. ROLE OF
FOREIGN INVESTMENT. PERFORMANCE OF MAIN SUBSECTORS OF
EGYPT'S INDUSTRY.

II. COMPARATIVE ADVANTAGES OF EGYPT IN INDUSTRY

IN A MEDIUM TERM (NATURAL AND HUMAN RESOURCES, ACCESS
TO FOREIGN MARKETS ETC.). MAJOR CONSTRAINTS TO SPEED
UP EGYPT'S INDUSTRIAL DEVELOPMENT.

III. STRUCTURE OF DECISION MAKING AT FIRM LEVEL
(PRIVATE AND PUBLIC SECTOR). POSSIBILITIES TO
STRENGTHEN INCENTIVES FOR MANAGERS AND ADMINISTRATORS IN
BOTH SECTORS.

IIII. PLANNING IN INDUSTRIAL SECTOR: ORGANIZATION,
PROGRAMMING, AND IMPLEMENTATION.

E. BILATERAL AND MULTILATERAL COOPERATION (DR KLAUS
BILLERBECK)

I. RECENT DEVELOPMENTS AND PERSPECTIVES WITH
REGARD TO BILATERAL AND MULTILATERAL AID.

II. FUTURE ECONOMIC COOPERATION BETWEEN EGYPT AND
INDUSTRIALIZED COUNTRIES, PARTICULARLY WITH EC.

III. POSSIBILITIES OF ECONOMIC COOPERATION BETWEEN
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 04 CAIRO 05019 241257Z

EGYPT AND OTHER ARAB COUNTRIES, IN PARTICULAR EGYPTIAN
EXPORTS TO ARAB COUNTRIES, AND INVESTMENT OF THE OIL
PRODUCING ARAB COUNTRIES IN EGYPT. COOPERATION WITH
AFRICAN AND OTHER DEVELOPING COUNTRIES.

MATTHEWS

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: ECONOMIC CONDITIONS, ECONOMISTS, CONSULTANTS, ECONOMIC ESTIMATES
Control Number: n/a
Copy: SINGLE
Sent Date: 24-Mar-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977CAIRO05019
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770101-1026
Format: TEL
From: CAIRO
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770328/aaaaaxqp.tel
Line Count: 144
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: dc4a20b3-c288-dd11-92da-001cc4696bcc
Office: ACTION NEA
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 77 CAIRO 5018
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 21-Jan-2005 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 3012832
Secure: OPEN
Status: NATIVE
Subject: WEST GERMAN ECONOMIC TEAM
TAGS: EGEN, EAID, EFIN, EG, GE, (MUELLER, ALEX)
To: STATE
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/dc4a20b3-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009